# Transition to a Stewardship Organization-led Bottle Bill Program

## Public Act 21-58

- Sec. 9. (NEW) (Effective from passage) (a) The Commissioner of Energy and Environmental Protection shall approve the formation of a beverage container stewardship organization constituted by deposit initiators if such organization submits an application to the commissioner that demonstrates such organization meets the following criteria:
- (1) The organization is established and operated as an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended from time to time, and is exempt from taxation under said section,
- (2) the governing board of such organization consists of deposit initiators that represent the range of beverages and beverage container materials subject to the state's beverage container redemption program, and
- (3) such organization demonstrates that it has adequate financial responsibility and financial controls in place, including fraud prevention measures and an audit schedule, to ensure proper management of funds.
- (b) All deposit initiators shall register with and join any beverage container stewardship organization approved pursuant to subsection (a) of this section not later than three months after such organization's approval by the commissioner. Any deposit initiator that wishes to initiate the sale of beverage containers in the state after such three month period elapses shall register and join such organization not less than ninety days prior to selling beverage containers in the state.
- (c) On or before July 1, 2022, any organization approved pursuant to subsection (a) of this section shall submit a plan, for the commissioner's review and approval, to operate a state-wide beverage container stewardship program, as described in this subsection. In developing any such plan, such organization shall obtain input from members of the independent redemption centers community, municipal resource recovery facilities, municipal leaders, wine and spirits distributors and reverse vending machine operators. Such plan shall demonstrate, in detail, how such organization will operate and finance a program to provide for the redemption and recycling of beverage containers in the state, including, but not limited to:
- (1) Achieving and exceeding an annual redemption rate of eighty per cent by a specified timeline,
- (2) achieving financial self-sustainability,
- (3) achieving verifiable performance metrics for enhanced customer satisfaction with the beverage container redemption system,
- (4) adopting policies and making investments to ensure that recovered materials are returned to their highest and best use,
- (5) providing a detailed description of how existing collection and redemption centers throughout the state are to be utilized as part of such beverage container stewardship program,
- (6) disclosing applicable rates of redemption as of the time of such plan and those projected over the next five years under the proposed beverage container stewardship program and the recommended refund value for such containers that is necessary to achieve such redemption rates,
- (7) identifying how the plan will yield costs to the state or any participant of said program,
- (8) specifying revenues that escheat to the state pursuant to said beverage container stewardship program and any projected diminishment in the state's use or collection of such revenues in the next five fiscal years beginning July 1, 2022,
- (9) identifying any legislative changes necessary to carry out such plan, and

- (10) any other parameters or requirements specified by the commissioner. The commissioner shall not approve any such plan without verification that such organization obtained input from members of the independent redemption centers community, municipal resource recovery facilities, municipal leaders, wine and spirits distributors and reverse vending machine operators.
- (d) Not later than October 1, 2022, the Commissioner of Energy and Environmental Protection shall submit recommendations to the joint standing committee of the General Assembly having cognizance of matters relating to the environment concerning any plan submitted pursuant to subsection (c) of this section.

## **Capturing Glass from Wine and Liquor Beverage Containers**

## Public Act 21-58

Sec. 8. (NEW) (*Effective from passage*) The Department of Energy and Environmental Protection shall develop the terms for a memorandum of agreement that provides, by January 1, 2023, for the in-state processing of not less than eighty per cent of the wine and liquor beverage containers sold in this state into furnace-ready cullet or by-product that is melted or otherwise used in cement, glass or fiberglass products. In developing such terms, the department shall identify the requisite parties to such an agreement and engage such parties in ongoing discussions concerning the establishment of systems and methods, pursuant to such an agreement, for the cost-effective and consumer-oriented state-wide collection of such containers that will yield sufficiently clean and acceptable containers for the owner or operator of any such facility to be used in producing such cullet or by-product. Such memorandum of agreement shall include, but not be limited to, provisions that delineate and assign responsibility among the parties for:

- (1) Establishing and implementing such collection systems and methods,
- (2) transporting collected containers to any such facility,
- (3) properly recycling and managing any containers not accepted by any such facility,
- (4) executing any financial obligations among the parties pursuant to such agreement,
- (5) recordkeeping of volume, tonnage and categories of containers processed, annually, pursuant to such agreement, and
- (6) auditing costs, efficiencies and benefits of such agreement.

Not later than January 15, 2022, the Commissioner of Energy and Environmental Protection shall submit a draft of such memorandum of agreement to the joint standing committee of the General Assembly having cognizance of matters relating to the environment.

## **Establishing a Grant Program for New Redemption Centers**

## June Special Session, Public Act No. 21-2

Sec. 65. (NEW) (Effective from passage) (a) There is established a beverage container recycling grant program account. All moneys in such account shall be used by the Department of Energy and Environmental Protection to provide forgivable grants in urban centers and environmental justice communities in accordance with the beverage container recycling grant program described in subsection (b) of this section. For the purposes of this section "urban center" has the same meaning as "regional center", as contained in the state plan of conservation and development, as amended from time to time, "environmental justice community" has the same meaning as provided in section 22a-20a of the

general statutes, and "beverage container" and "redemption center" have the same meanings as provided in section 22a-243 of the general statutes, respectively.

- (b) The Department of Energy and Environmental Protection shall implement the beverage container recycling grant program. The beverage container recycling grant program shall provide funding for new beverage container redemption centers that are located in communities that lack access to beverage container redemption locations. Such grant program shall prioritize the award of such grants to first-time redemption center owners and those that are locally-owned, minority-owned and women-owned businesses. When awarding grants pursuant to such program, the Commissioner of Energy and Environmental Protection, or the commissioner's designee, shall consider current access to beverage container redemption sites, walking distances to such sites, public access to reliable transportation, population density, customer convenience, type of redemption technology to be deployed and the volume of beverage containers sold in the relevant community.
- (c) Grant proceeds received pursuant to the beverage container recycling grant program may be used for infrastructure, technology and costs associated with the establishment of a beverage container redemption center and for initial operational expenses of such redemption center. The Commissioner of Energy and Environmental Protection, shall issue, not later than December 1, 2021, a grant application process that distributes such grant proceeds described in subsection (d) of this section, on a rolling basis.
- (d) Any grant awarded pursuant to the grant program described in this section shall not exceed one hundred fifty thousand dollars in any fiscal year.
- (e) Any person or entity that receives a grant pursuant to the beverage container recycling grant program shall, not later than October first of each year, submit to the Commissioner of Energy and Environmental Protection a financial audit of grant expenditures by such person or entity until all grant moneys have been expended by such person or entity. Any such audit shall be prepared by an independent auditor and if said commissioner finds that any such grant is used for purposes that are not in conformity with uses set forth in this section, said commissioner may require repayment of such grant.

Sec. 308. Section 29 of special act 21-15 is amended to read as follows (Effective from passage):

(b)(15) Up to \$5,000,000 to the Department of Energy and Environmental Protection, for Solid Waste Management, for the fiscal year ending June 30, 2022, to establish and administer a program to support solid waste reduction strategies, including a redemption center grant program;